

FULL-YEAR RESULTS – PROJECT INVESTMENTS DELIVER KEY MILESTONES

- **Iron Valley generated revenue for BCI of A\$33.0M and EBITDA of A\$5.6M from shipments of 6.1Mt in the year**
- **Significant investment in value-adding activities on BCI's projects including:**
 - **A\$10.0M of capitalised acquisition and earn-in expenditure to secure the highly prospective Kumina tenements and complete a Scoping Study on the Carnegie Potash Project**
 - **A\$13.3M in exploration and evaluation expenditure delivers a positive Pre-Feasibility Study on the Mardie Salt & SOP Project and maiden iron ore JORC Mineral Resource at Kumina**
- **Group EBITDA loss of A\$14.4M and a net loss after tax of A\$16.9M**
- **Cash position of A\$13.1M and debt free**

BCI Minerals Limited (ASX:BCI) ("BCI" or the "Company") presents its financial results for the full-year ended 30 June 2018.

The Iron Valley mine, which is operated by Mineral Resources Limited ("MIN"), continues to deliver positive royalty earnings and cash flow for BCI. Iron Valley shipped 6.1Mt during the year, which generated revenue for BCI of A\$33.0M and EBITDA of A\$5.6M. BCI's EBITDA comprised of A\$7.9M from shipments which occurred during the year less an adjustment of A\$2.3M relating to the finalisation of pricing for shipments from the previous financial year. BCI's annual Iron Valley EBITDA for the next two years will at minimum be in-line with FY18.

During the year, BCI invested in progressing its exploration and development projects, resulting in a number of key project milestones being achieved.

BCI released a positive Mardie Pre-Feasibility Study in June 2018 on a proposed 3.5Mtpa of high purity industrial salt and 75ktpa of sulphate of potash operation, demonstrating attractive financials including a pre-tax NPV of A\$335M, IRR of 20% and annual EBITDA of >A\$100M.¹

The Kumina tenements were acquired in September 2017 and BCI completed a major exploration drilling campaign, resulting in a maiden JORC Mineral Resource of 115.2Mt at 58.0% Fe (53% Fe cut-off) or 78.3Mt at 59.1% Fe (57% Fe cut-off). The Kumina tenements are considered highly prospective, with multiple further targets identified to date. Following completion of the maiden Mineral Resource estimate at Kumina, BCI has a substantial overall hematite Mineral Resource on

¹ Refer to BCI's announcement dated 1 June 2018. All material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.

BCI-owned tenements of more than 600Mt.²

BCI increased its interest in the Carnegie Potash Project to 30% after funding a positive Scoping Study completed by joint venture partner, Kalium Lakes Limited and completed initial value-adding exploration at a number of BCI's other tenements in Western Australia, which are in the process of being monetised.

BCI's financial results reflect the investment made in delivering the milestones, with A\$13.4M incurred in exploration and evaluation expenditure during the full-year and A\$10.0M (capitalised) to acquire the Kumina tenements and as earn-in to the Carnegie Potash Project Joint Venture.

Overall, BCI recorded a net loss after tax of A\$16.9M as set out in the following summary of the Company's statement of profit and loss:

	June 2018 A\$M	June 2017 A\$M
Continuing operations		
Revenue	33.4	64.0
Profit/(loss) after tax	(16.9)	7.1
Discontinued operations		
Loss after tax from discontinued operations	-	(1.4)
Net profit/(loss) after tax	(16.9)	5.7

BCI recorded an EBITDA loss of A\$14.4M for the full-year. The table below shows the EBITDA contribution for each segment of the Group.

	June 2018 A\$M	June 2017 A\$M
Continuing operations		
Iron Valley	5.6	12.8
Buckland and Kumina	(7.5)	(1.6)
Mardie	(2.9)	(0.2)
Exploration tenements	(2.6)	(1.8)
Business Development	(1.1)	(0.7)
Corporate	(5.9)	(4.6)
EBITDA from continuing operations	(14.4)	9.4
Discontinued operations		
EBITDA from discontinued operations	-	(1.1)
Total EBITDA	(14.4)	8.3

BCI remains in a strong financial position, with A\$13.1M cash as at 30 June 2018 and no debt.

² Refer to BCI's announcement dated 28 June 2018. BCI is not aware of any new information or data that materially affects the information included in that announcement.

Commenting on the results, BCI's Managing Director, Alwyn Vorster, said *"FY18 was a positive year of project investment for BCI. The Mardie Salt & SOP Project was materially de-risked via positive study and approvals work, and BCI created a valuable iron ore resource at Kumina in a short period of time.*

"During FY19, BCI will focus on further value-adding and de-risking of Mardie during a Definitive Feasibility Study, supported by a strong foundation of Iron Valley royalties, existing cash reserves and potential value from other iron ore transactions."

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ABOUT BCI MINERALS

BCI Minerals Limited (ASX:BCI) ("BCI") is an Australian-based resources company that is developing an industrial minerals business supported by iron ore royalties.

BCI's focus is on advancing its 100% owned Mardie Project, a potential salt and sulphate of potash ("SOP") operation located on the West Pilbara coast in the centre of Australia's key salt production region. BCI has completed a positive Pre-Feasibility Study on a solar evaporation operation producing 3.5Mtpa salt and 75ktpa SOP and intends to complete a Definitive Feasibility Study in 2019.

Iron Valley is an operating iron ore mine located in the Central Pilbara region of Western Australia, which is operated by Mineral Resources Limited (ASX:MIN). Iron Valley is generating quarterly royalty earnings for BCI.

Buckland is an iron ore development project located in the West Pilbara region of Western Australia, comprising potential mines at Bungaroo South (258Mt Resource³) and Kumina (115Mt Resource⁴), and a proposed 20Mtpa Cape Preston East Port facility.

In addition to these projects, BCI is a joint venture partner of Kalium Lakes Limited (ASX:KLL) in the Carnegie Potash Project, and owns exploration tenements at Marble Bar and Black Hills in the Pilbara, Peak Hill in WA's Midwest region, and Munglinup in southern WA.

The Company's portfolio also includes potential iron ore royalties over the Nullagine (FMG), Koodaideri South (Rio Tinto) and Extension (AAMC) tenements.

KEY STATISTICS

Shares on issue:	395.0 million	
Cash and cash equivalents:	\$13.1 million	as at 30 June 2018
Board:	Brian O'Donnell	Non-Executive Chairman
	Alwyn Vorster	Managing Director
	Michael Blakiston	Non-Executive Director
	Jenny Bloom	Non-Executive Director
	Martin Bryant	Non-Executive Director
	Andy Haslam	Non-Executive Director
Major shareholders:	Wroxby Pty Ltd	27.7%
Website:	www.bciminerals.com.au	

³ Refer to BCI's 2017 Annual Report for further details. BCI is not aware of any new information or data that materially affects the information included in that document about the Bungaroo South Resource.

⁴ Refer to BCI's announcement dated 28 June 2018. BCI is not aware of any new information or data that materially affects the information included in that announcement.